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OFFICE OF THE CITY CLERK  
OAKLAND

**CITY OF OAKLAND**  
**AGENDA REPORT**

2011 JUN 16 PM 7: 22

**TO:** Office of the City Administrator  
**ATTN:** P. Lamont Ewell  
**FROM:** Public Works Agency  
**DATE:** June 21, 2011

**RE:** Supplemental Report and Resolution:

- 1) Awarding A Property Management And Maintenance Contract To ABM Facility Services To Manage, And Maintain The East Oakland Sports Complex (EOSC) For A Term Of Two Years In An Amount Not-To-Exceed Seven Hundred Thousand Dollars (\$700,000) (\$350,000 Annually), And
- 2) Authorizing The City Administrator Or His Designee To Exercise Two One-Year Options To Renew Up To An Amount Not-To-Exceed Three Hundred Eighty Five Thousand Dollars (\$385,000) In The Third Year And Up To An Amount Not-To-Exceed Four Hundred Twenty Three Thousand Five Hundred Dollars (\$423,500) In The Fourth Year, Which Includes 10% Increases In Each Additional Year To Cover Increased Labor Costs, And
- 3) Waiving The City's Advertising And Bidding Requirements For The Purchase Of Products, Parts And Other Materials Needed To Manage And Maintain The EOSC And Authorizing The City Administrator To Include Such Necessary Purchases In The Management And Maintenance Contract With ABM Facility Services

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This is a supplemental report to the report heard at the Public Works Committee on June 14, 2011. The Public Works Committee requested additional information as noted below:

1. Provide a full explanation of the funding source for the first fiscal year.

The estimated budget to open the East Oakland Sports Complex (EOSC or Complex) is approximately \$1.2 million, which includes a budget of \$760,721 from the Office of Parks and Recreation (OPR) and \$465,000 from the Public Works Agency (PWA).

OPR's cost estimates for programming at the EOSC are approximately \$760,721 for the first fiscal year. This budget assumes delaying the filling of two Recreation Program Director positions until December 31, 2011 (cost savings of \$72,000). This also assumes the mandatory shutdown and closing of the EOSC for a two week period during the holidays (cost savings of \$30,000).

A breakout of the programming costs for the first fiscal year is as follows:

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<b>Office of Parks and Recreation Program Cost Estimates</b>	<b>Source of fund General Purpose Fund Fund 1010</b>
Persomel: Aquatics, Cultural Arts, Fitness	\$781,547.00
OPR Programming O&M	\$81,500.00
Delayed Hiring – 2 Recreation Program Director Positions	(\$72,266.00)
2-Week Closure: Christmas & New Year Holidays	(\$30,060.00)
<b>OPR Total for Fiscal Year 2011-2012</b>	<b>\$760,721.00</b>

Funding for Programming is identified in Fund 1010. A more detailed account of the cost estimates are provided in *Attachment A*.

PWA's costs estimates to maintain the Complex are roughly \$465,000. The maintenance cost estimate is based on PWA having a facilities management agreement with a private entity as proposed in the staff report presented at the June 14, 2011, Public Works Committee.

<b>Public Works Agency Operating Costs (Source of fund: 4400)</b>	<b>Source of fund Facilities Maintenance Fund Fund 4400</b>
Maintenance Contract Services	\$350,000.00
Utilities (PG&E and EBMUD)	\$115,000.00
<b>PWA Total for Fiscal Year 2011-2012</b>	<b>\$465,000.00</b>

Funding for Operations and Maintenance is identified in the Facilities Services Fund 4400.

2. **Explain how the Prime will meet the 20% Local Business Enterprise/ Small Local Business Enterprise (LBE/SLBE) Requirement.**

American Building Maintenance (ABM) will meet the 20% LBE/SLBE requirement through sub-contracting efforts for landscaping and janitorial services with two City of Oakland certified SLBEs, and by purchasing janitorial supplies and other materials and equipment from an Oakland certified local janitorial supply company. As shown in *Attachment B: Department of Contracting and Purchasing LBE/SLBE and EBO Evaluation Analysis*, the participation rate will be as follows:

- Janitorial Services will be sub-contracted to Green Clean A Scene Inc. for an annual amount of \$22,000/ 7%
- Landscaping Maintenance will be sub-contracted to Green Acres Landscaping and Maintenance, Inc., for an annual amount of \$20,000.00/ 6.33%.
- Janitorial supplies will be purchased from Star-line Supply Co. for an estimated amount of \$36,300.00/ 11.25%

The total estimated LBE/SLBE Participation will be \$78,300.00/ 24.58%

**3. Provide an explanation of why staff felt Prime was the most qualified contractor.**

American Building Maintenance (ABM) is one of the largest property management and maintenance service companies in the United States. The firm employs over 107,000 employees who provide services to over 16,000 customers nationwide, managing over 200 facilities in the Bay Area including the State of California, the City & County of San Francisco, and Stanislaus County.

Despite outreach efforts by the Department of Contracting and Purchasing, ABM was the sole respondent out of approximately 60 firms that received invitations to participate in the RPQ process. ABM submitted an RFQ response highlighting the company's extensive background in building management and maintenance. ABM also provided a proposed maximum annual operating cost for the EOSC, with a detailed summary of estimated costs for labor, contracts, supplies and materials related to the management and maintenance services for the Complex.

ABM was interviewed by key City staff responsible for the programming and operational aspects of the East Oakland Sports Complex. In that interview, ABM representatives presented their operational plan for the EOSC. They articulated satisfactorily the firm's plan to maintain and service the various building systems, specifying the roles and responsibilities of each ABM employee. ABM also delineated the subcontractors' responsibility in this project.

Although ABM is the sole respondent in this RFQ process, the interview panel believes ABM is qualified for the management and maintenance of the EOSC because:

- **Proven track record:** ABM has been in the building maintenance industry since 1909. ABM became the first janitorial contractor in America to clean a major college campus by winning the Stanford University's janitorial contract in 1921. Over the past 100 years, ABM has managed and maintained facilities ranging from sports arenas (Staples Center) to multi-national corporations (JP Morgan Chase's 4,800 sites).
- **Expertise:** ABM has extensive experience in servicing sports facilities. In 1999, the building maintenance company was awarded a multi-year contract to service the Staples Center in Los Angeles, a facility that houses both Los Angeles NBA teams and the Los Angeles Kings of the National Hockey League.

Presently, ABM maintains two fitness and recreation centers for the University of California – San Francisco (UCSF). The Baker Fitness & Recreation Center, a 3-story, fitness and recreation center includes two pools, a 100,000 gallon roof-top,

outdoor swimming pool and a 60,000 gallon indoor pool. The Millberry Fitness & Recreation Center also includes an indoor pool. ABM maintains the dehumidifier systems for the indoor pools at both facilities. Both fitness centers contain dance studios, racquetball courts, weight rooms, cardio rooms, saunas, as well as gymnasiums used for various sporting activities.

ABM also demonstrates expertise in the area of building operations systems. The company operates and maintains all aspects of the building's heating, ventilating, air-conditioning, water, and Fire Life Safety systems at the State of California's critical data center facility in Rancho Cordova.

- **References:** Staff contacted four facilities owners and/or property managers from the following property management firms regarding the quality of ABM's service
  - CB Richard Ellis
  - ECB Management Services
  - CIM

and asked them the following questions:

- 1) How does ABM respond to service requests?
- 2) How does ABM complete service requests and handle issues in a timely manner?
- 3) How would you rate ABM's response to service requests?
- 4) How would you rate ABM's overall performance?

All four contacts responded with "very good", "very responsive" or "excellent".


## **RECOMMENDATION AND RATIONALE**

Staff recommends the City Council award a property management and maintenance contract to ABM Facility Services, a highly qualified and well known national property management firm.

## ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution awarding the contract for two years with two one year renewal options with ABM Facility Services; authorizing the City Administrator to enter into a professional services contract with ABM Facility Services (ABM) for two years, with two one year renewal options in an amount not-to-exceed \$700,000; and authorizing the City Administrator to, at the City's discretion, exercise the option to extend the agreement twice, one year at a time, in an amount not-to-exceed up to \$385,000 in the third year and \$423,500 in the fourth year, each of which includes an annual increase of 10% in the previous year's contract amount to cover any rate increases resulting from the Oakland Living Wage annual adjustments or any other State or Federal legislation that occurs during the term of the contract, if any.

Respectfully submitted,

  
Vitaly B. Troyan, P.E.  
Director, Public Works Agency

Reviewed by:  
Brooke A. Levin, Assistant Director  
Department of Facilities & Environment

Prepared by: Derin Minor, Complex Manager  
Facilities Service Division

APPROVED AND FORWARDED  
TO CITY COUNCIL

  
Office of the City Administrator

### Attachments:

- Attachment A – Office of Parks & Recreation – East Oakland Sports Complex: Fiscal Year 2011-12 Proposed Personnel and O&M Budget
- Attachment B – Department of Contracting and Purchasing LBE/SLBE and EBO Evaluation Analysis
- Attachment C – Sample of current ABM accounts

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Fiscal Year 2011-12 OPR Proposed Personnel and O&M Budget

Employee And Position Name	Annual FTE	FY 2011-12	Funding Source
Facility Security Assistant	1.00	66,806	General Purpose Fund 1010
Lifeguard, PT	7.50	212,751	General Purpose Fund 1010
Pool Manager, PT	1.00	48,970	General Purpose Fund 1010
Recreation Attendant I	1.25	34,593	General Purpose Fund 1010
Recreation General Supervisor	1.00	113,209	General Purpose Fund 1010
Recreation Program Director	3.00	216,799	General Purpose Fund 1010
Recreation Specialist I, PT	0.75	38,585	General Purpose Fund 1010
Water Safety Instructor, PT	1.50	49,834	General Purpose Fund 1010
OPR Programming O&M	-	81,500	General Purpose Fund 1010
<b>Projected Subtotal</b>	<b>17.00</b>	<b>863,047</b>	

Proposed Savings - OPR	FY 2011-12	
Delay Filling 2 Recreation Program Director Positions	(72,266)	General Purpose Fund 1010
2 Week Mandatory Shutdown - Christmas/New Year Holidays	(30,060)	General Purpose Fund 1010
<b>Total Reduction</b>	<b>(102,326)</b>	

OPR Program Staff Costs (Aquatics/Administration/Cultural Arts/Fitness)

760,721

Revised 6/16/2011

# Memo



## Department of Contracting and Purchasing Social Equity Division

To: Sandra Ousley, Project Manager  
 From: Vivian Inman, Contract Compliance Officer  
 Through: Deborah Barnes, Director, DC&P  
 Shelley Darensburg, Sr. Contract Compliance Officer *S. Darensburg*  
 Date: June 16, 2011  
 Re: RFP for Property Management and Maintenance Services for the East Oakland Sports Complex

The Department of Contracting and Purchasing (DCP), Division of Social Equity, was asked to revise the L/SLBE Compliance Analysis to reflect the addition of three (3) local/small local firms on the project post submittal. Because this is a negotiated agreement and not a low bid, the analysis was amended to reflect the addition of Green Clean A Scene, Green Acres Landscaping and Starline Supply to the Property Management and Maintenance Services for the East Oakland Sports Complex project bringing the firm into compliance with the minimum 20% Local and Small Local Business Enterprise (L/SLBE) participation requirement. Also, included is a preliminary review for compliance with the Equal Benefits Ordinance (EBO).

Below are the results of our findings:

Responsive to L/SLBE and/or EBO Policies		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount		
ABM Facility Services	NA	24.58%	11.25%	13.33%	NA	24.58%	0 points	NA	NA	Y

**Comments:** As noted above ABM Facility met the minimum 20% L/SLBE business participation requirement. The firm is EBO compliant.

Non-Responsive to L/SLBE and/or EBO Policies		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount		
NA	NA	NA	NA	NA	NA	NA	NA	NA	0%	NA

**Comments:** There were no non-responsive firms.

Should you have any questions you may contact Vivian Inman at (510) 238-3970.

Revised 6/16/2011

DEPARTMENT OF CONTRACTING AND PURCHASING

Social Equity Division

## PROJECT COMPLIANCE EVALUATION FOR :

Project No.

RE:

Request for Proposal for Property Management and Maintenance Services for the East Oakland Sports Complex
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CONSULTANT/CONTRACTOR: ABM Facility Services

<u>Engineer's Estimate:</u>	<u>Contractors' Bid Amount</u>	<u>Over/Under Engineer's Estimate</u>
NA	NA	NA
<u>Bid discounted amount:</u>	<u>Discount/Preference Points:</u>	
N/A	0	

1. Did the 20% local/small local requirement apply: YES
2. Did the contractor meet the 20% requirement YES
- a) % of LBE participation 11.25%
- b) % of SLBE participation 13.33%
3. Did the contractor receive bid discount/preference points? NA
- (If yes, list the points received) 0 points
5. Additional Comments.

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6. Date evaluation completed and returned to Contract Admin./Initiating Dept.

6/16/2011

Date

Reviewing Officer: *Maria J. [Signature]*Date: 6/16/11Approved By: *Shelley Danenburg*Date: 6/16/11



## LBE/SLBE Participation ABM Facility Services

Project Name: Request for Proposal for Property Management and Maintenance Services for the East Oakland Sports Complex

Project Name:		Engineer's Estimate		Under/Over Engineers Estimate:							
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE %	Total Percentages	For Tracking Only			
								Ethn	MBE	WBE	
PRIME	ABM Facility Services	San Francisco	UB				75.42%	NL			
Cleaning Services	Green Clean A Scene	Oakland	CB		7.00%	7.00%	7.00%	AA		7.00%	
Landscaping	Green Acres Landscaping	Oakland	CB		6.33%	6.33%	6.33%	C			
Cleaning Supplies	Starline Supply Company of Oakland, Inc.	Oakland	CB	11.25%		11.25%	11.25%	C		11.25%	
<b>Project Totals</b>				11.25%	13.33%	24.58%	100.00%		0.00%	18.25%	
<b>Requirements:</b> The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				LBE: 10%	SLBE: 10%	TOTAL LBE/SLBE%		<b>Ethnicity</b> AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
<b>Legend</b>				LBE = Local Business Enterprise SLBE = Small Local Business Enterprise Total LBE/SLBE = All Certified Local and Small Local Businesses NPLBE = NonProfit Local Business Enterprise NPSLBE = NonProfit Small Local Business Enterprise				UB = Uncertified Business CB = Certified Business MBE = Minority Business Enterprise WBE = Women Business Enterprise			

### UCSF – Several San Francisco Campuses

Facility operations & maintenance services for UCSF multi-building campuses throughout San Francisco. ABM employs a crew of 65 operations & maintenance personnel responsible for all building systems across the 4+ million square feet spread across San Francisco. As a part of this 4+ million square feet operation, ABM maintains the Bakar Fitness & Recreation Center at Mission Bay along with the Millberry Fitness & Recreation Center at the Parnassus campus. The Bakar center is a three-story fitness & recreation center that includes two pools, an outdoor roof-top 100,000 gallon pool, and an indoor 60,000 gallon pool. The Millberry center includes an indoor pool. Both fitness centers include several dance studios, racketball courts, weight rooms, cardio rooms, a sauna, as well as a full gymnasium utilized frequently for a variety of activities including basketball.

### Stanislaus County Behavioral Center

Facility operations and maintenance services for Stanislaus County Behavioral center in Modesto, CA. ABM Provides full service engineering operations and maintenance for the multi-building Behavior Center, including, a youth / student day center, an addiction rehabilitation center, and supporting county offices. Our staff is responsible for all maintenance related activities on the property including HVAC, FLS, Plumbing, general maintenance, and grounds maintenance.

### State of California – DTS / OCIO

Full service engineering operations & maintenance of the State of California's critical data center facility in Rancho Cordova. This datacenter houses data processing operations and storage of all state departments data. Our employees maintain all aspects of the buildings heating, ventilating, air-conditioning systems, water systems, Fire Life Safety system, and all other general building maintenance. We maintain critical operations at this datacenter 24 / 7 / 365.

### The 88 (20 Story High Rise Condominium complex)

Full service engineering operations & maintenance of the newly constructed 20 story luxury high-rise condo complex in downtown San Jose. Our staff maintains all building systems including HVAC, Fire Life Safety, Plumbing, & performs all general maintenance including the Fitness Center, Pool / Spa, & Outdoor lounge.